

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 2, 2005**

**TO:** Honorable Will Hartnett, Chair, House Committee on Judiciary

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: SB165** by Wentworth (Relating to the regulation of private process servers; providing penalties.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB165, As Engrossed: an impact of \$0 through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

| Fiscal Year | Probable Net Positive/(Negative)<br>Impact to General Revenue Related<br>Funds |
|-------------|--|
| 2006        | \$0  |
| 2007        | \$0  |
| 2008        | \$0  |
| 2009        | \$0  |
| 2010        | \$0  |

**All Funds, Five-Year Impact:**

| Fiscal Year | Probable Revenue Gain/<br>(Loss) from<br><i>GENERAL REVENUE<br/>FUND<br/>1</i> | Probable Savings/(Cost)<br>from<br><i>GENERAL REVENUE<br/>FUND<br/>1</i> | Change in Number of State<br>Employees from FY 2005 |
|-------------|--|--|---|
| 2006        | (\$254,740)  | \$254,740  | 2.5   |
| 2007        | (\$244,390)  | \$244,390  | 2.5   |
| 2008        | (\$244,390)  | \$244,390  | 2.5   |
| 2009        | (\$244,390)  | \$244,390  | 2.5   |
| 2010        | (\$244,390)  | \$244,390  | 2.5   |

**Fiscal Analysis**

The provisions of the bill amend the Civil Practices and Remedies Code to require a person to be licensed or registered to serve civil process in this state, and that a civil processor server business must be registered by the Texas Department of Licensing and Regulations (TDLR).

The executive director must issue process server licenses to applicants who comply with the requirements, pass a criminal history check; and pay the required fees. TDLR must conduct a background investigation of each applicant, to include processing of fingerprints through local, state, and federal law enforcement agencies, and examination of law enforcement records maintained by a local, state, or federal enforcement agency. The provisions require TDLR to issue a photo

identification card to a licensee, with the person's unique identification number on the card. The license or registration expires on the first anniversary of the date of issuance. Applicants for renewal must submit renewal application, renewal fee; and evidence of completion, prior to expiration of license and approved continuing education seminar consisting of at least six hours. It authorizes TDLR to deny, suspend or revoke a license or registration, and assess an administrative penalty.

### **Methodology**

It is assumed that TDLR would set fees as necessary to offset the costs of implementing the provisions of the bill.

According to TDLR, the Texas Process Servers Associations estimates the population that would be regulated is approximately 760 business process servers licenses and about 3,000 process server licenses for a total of 3,760 licenses issued each fiscal year.

TDLR estimates that beginning in fiscal year 2006, a \$5 per licensee/registrant cost that total \$132,000 would be included in other costs to reflect anticipated charges by TexasOnline. This additional cost is included in the renewal fees, which would be take effect in fiscal year 2007, which total \$136,400.

TDLR estimates the duties specified would require an Administrative Assistant III, a Legal Assistant II, and one half Accountant II. Salaries for fiscal years 2006 through 2010 would be \$31,356 for one Administrative Assistant III, \$33,312 for one Legal Assistant II, and \$15,678 for one half an Accountant II plus \$23,894 in benefit costs.

The Department of Public Safety's (DPS) criminal history check would cost \$15 and the Federal Bureau of Investigation's criminal history check would cost \$24. The bill would have a one-time increase of 3,400 fingerprint-based certified criminal history checks received by DPS' Crime Records Division. According to DPS, the bill would have no fiscal impact to the agency.

### **Technology**

It is estimated the agency would need \$5,750 in fiscal year 2006 for personal computers, printers, and supporting equipment.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Department of Licensing and Regulation

**LBB Staff:** JOB, LB, DE